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ABSTRACT

During an 18-month demonstration period, the Illinois Occupational Program Initiative (IOPI), funded through the state's Division of Alcoholism, demonstrated the feasibility of funding individual contractors to create and market employee assistance programs (EAPs) to representatives of industry and labor. Cost estimates for the EAPs were to cover provision of all technical assistance, training, and consultation necessary to develop a viable program to identify and treat several varieties of unhealthy behavior in the workplace. Using performance-based contracts with individual consultants, 187 new EAPs for 46,111 workers in smaller companies were funded. By reimbursing contractors only for documented completion of defined stages in a developing EAP, and by limiting the reimbursable amount to $3,000 per EAP, the program encouraged and supported the proliferation of EAPs in Illinois without having to disburse large sums for work uncompleted. The success of the IOPI in the demonstration period holds promise for the future of EAPs in Illinois. (Author/FG)

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PLANNING, IMPLEMENTING, AND DOCUMENTING AN INNOVATIVE STATEWIDE OCCUPATIONAL INITIATIVE*

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ABSTRACT

During an eighteen-month demonstration of its Illinois Occupational Program Initiative, the Division of Alcoholism has demonstrated the feasibility of funding individual contractors to market employee assistance programs to representatives of industry and labor. Using performance-based contracts with individual consultants, agencies, and hospitals across the state of Illinois, the Division funded, at little or no cost to the employer, 187 new EAPs for 46,111 Illinois workers in smaller companies, a significant but underserved group. By reimbursing contractors only for documented completion of defined stages in a developing EAP, and by limited the reimbursable amount to $3000.00 per EAP, the Division of Alcoholism encouraged and supported the proliferation of EAPs in Illinois without having to disburse large sums for work uncompleted. The success of the Illinois Occupational Initiative in the demonstration period holds promise for the future of EAPs in Illinois. In the following year, the Division funded eleven contractors, using the performance-based model.

* Based on a workshop presented to the Eleventh National Conference, Association of Labor-Management Administrators and Consultants on Alcoholism, Philadelphia, Pennsylvania, November 4, 1982.

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PLANNING, IMPLEMENTING, AND DOCUMENTING AN INNOVATIVE STATEWIDE OCCUPATIONAL INITIATIVE

The Illinois Occupational Program Initiative (IOPI) is a human services project created and funded by the Division of Alcoholism to encourage and support the development of employee assistance programs across the state of Illinois. Currently in its second year of operation, IOPI has demonstrated the tenebility of its design. In an eighteen-month period from January 1981 to June 1982, the Division of Alcoholism funded eleven contractors across the state of Illinois to actively market employee assistance programs. Final figures reveal that 187 new EAPs were created for more than 45,000 Illinois workers through the Initiative.

Employee Assistance Programs are designed to benefit both employer and employee. By maintaining or improving the physical and mental well-being of the employee, EAPs have been shown to maintain or increase individual productivity. In the early days of EAP development, occupational programs were largely in-house projects directed at alcohol abuse. These prototype EAPs were formulated and managed by pioneering medical and personnel administrators in a few innovative corporations, such as Illinois Bell Telephone, Kemper Insurance, Caterpillar Tractor, and John Deere. Today, the aims of many EAPs are more diversified; they seek to identify and treat several varieties of unhealthy behavior which may interfere with productivity in the workplace.

In the state of Illinois, the proliferation of EAPs began in earnest, as it did for most of the U.S., in 1972. At that time, the National Institute on Alcohol Abuse and Alcoholism sponsored a three-year program which began in Pinehurst, North Carolina, for two representatives from each of fifty states. These skilled and highly-motivated consultants--known as the "thundering hundred'--spearheaded a national drive for the establishment of EAPs. That endeavor provided tremendous impetus to the movement within state goverments for public involvement in the design and development of EAPs.

Illinois Representatives in attendance for the sessions, Ray Kelly and Dorothy Johnson, working within the state's Alcoholism Policy and Program Development Office, went on to serve later as Occupational and Employee Assistance Coordinators. In that office they worked to initiate contact with industrial management, organized labor and government organizations in order to demonstrate that a worker whose personal problems were

interfering with productivity could be helped rather than merely disciplined or terminated, to the benefit of the employer and employee both. By the end of the decade, there were an estimated 300 EAPs in Illinois.

Out of those early beginnings has come the Illinois Occupational Program Initiative, a statewide project formulated by Associate Director for Alcoholism Services Roalda J. Alderman along with her staff Ruth K. Holl and Byron Romey from the Division of Alcholism. Counseled by the Citizen's Advisory Council on Alcoholism and the Occupational Task Force, the Key Planners envisioned a program which would fund individual contractors in various areas of the state to work with business and industry in the development of employee assistance programs.

Fundamental to the IOPI Concept was the RFP, the Request for Proposal, which called upon known and potential EAP consultants to submit a marketing plan for specified services to be provided, with a cost estimate that set performance reimbursement requirements in their contract. In this way, state government was able to utilize its limited personnel and financial resources to manage quite a large task.

The Division of Alcoholism and the statewide Occupational Task Force established as their goal for an eighteen-month demonstration period the creation of new EAPs to affect 45,000 Illinois workers. Selected contractors marketed employee assistance programs to employers of 100 to 500 workers and arranged for an assessment and referral service to particpating employers. Smaller companies were targeted during the demonstration period because research had shown that the largest percentage of Illinois workers are employed by just such smaller employers. Yet most already-operational EAPs were being conducted by larger businesses with the resources necessary to bear the initial expense of an assistance program. It was the intention of the designers of IOPI to encourage and assist in the development of EAPs to meet the needs of this significant segment of Illinois workers at little or no cost to the smaller employer.

Although IOPI was conceived of and initiated as a program of state government through the State Alcoholism Authority, it was in fact an endeavor to link government, management and organized labor in a close working relationship. The official framework of the Request for Proposal required that a contractor bidding for a grant under IOPI be able to demonstrate a familiarity with management and labor as well as with alcoholism and employee assistance programming. To qualify, a contractor was expected to be able to confer with respresentatives of organized labor and discuss with them the concept of an EAP as it might relate to a negotiated labor contract. Within this framework, however, the

Request for Proposal encouraged creativity on the part of the bidder and allowed for an individualized marketing plan with a territory to be selected by the consultant. To facilitate this selection process, RFP application documents included a map of Illinois counties showing the distribution of targeted companies.

A unique feature of IOPI was the Division's performance-based contract with the selected bidders. By reimbursing contractors only for documented performance of various phases in the development and implementation of an EAP, the Division of Alcoholism could guarantee that a targeted employer would receive professional help and technical assistance at a minimal cost, without the state having to advance large sums of money for work not completed. The maximum reimbursable amount was $3000.00 to establish a program. Cost estimates were to cover the provision by the contractor of all technical assistance, training, and consultation necessary to make a program viable and to assure employee utilization.

Reimbursable phases of EAP program development were:

1) Face-to-face presentations of the EAP concept to management and labor. The Division paid the marketing agent $100 for every employer who participated in these discussions.

2) Designation of policies and procedures for individual EAPs. Issues and concerns of the organized labor force were included in formally-composed statements whenever possible, and a review of employee health benefits was conducted to assess the range and type of coverage provided and the mechanism for payment. Upon documentation of this phase of program development, one-third of the contractor's estimated costs was paid.

3) Training of supervisors and other key employees. After completion of required training, including an optional employee orientation session, the second one-third of total estimated costs was disbursed.

4) Implementation and initial utilization of the EAP. The final one-third of the program costs was paid out when the first employee made actual use of an assessment/ referral identified by the contractor.

In the summer of 1980, when the contents and format of the Request for Proposal were finalized by the Division of Alcoholism, the Illinois Occupational Program Initiative was officially announced by Byron Romey at the meeting of the

Illinois chapter of the Association of Labor Management Administrators and Consultants on Alcoholism. Mr. Romey called then for a bidder's conference and distributed Request for Proposal documents to potential contractors.

In the following months, the Division received twenty-six bids from a variety of operating bases. These bids were then reviewed by four teams, each team comprised of a representative from management, labor, and the Division. After making a thorough review of the contents of the proposals and an evaluation of the capability of the various bidders to carry out the proposed programs, the Division selected eleven contractors, representing a variety of operating bases. There were two alcohol treatment agencies, one drug council, two mental health agencies, three hospital/medical centers, two private consulting firms, and one county mental health board. These contractors would market assistance programs in sixteen of 103 Illinois counties.

The demonstration period commenced in January 1981. Contractors maintained close contact with the Division, reporting on their experiences in the field. By the end of June 1981, contractors had documented 335 presentations and established 33 new programs.

To broaden awareness of IOPI and highlight the issue of EAPs, the Division funded--in May 1981--an invitational Occupational Conference through its Prevention Resources Center (PRN) on the campus of Northern Illinois University. Within two months, the Division also sponsored a one-day workshop to assist the IOPI contractors in appraising their own marketing techniques and salesmanship skills. Directing that workshop was Ruth Holl, with consultation provided by James Wrich, former director of the State Alcoholism Authority in Minnesota and presently the Director of the Employee Assistance Program for United Airlines.

When the IOPI demonstration period was concluded in June 1982, contractors had logged in 187 new employee assistance programs involving a total work force of 45,111. One hundred and fifty-two trainings had been completed and 701 employees in 62% of the companies involved had used the assessment/referral services. About 75% of the total funds obligated in the eleven contracts were utilized during the demonstration period.

The matter of evaluation has been a primary concern of the Division. To ensure the availability of data necessary for a thorough assessment of the project, the Division encouraged the free flow of information to and from contractors in the field during the demonstration period. To identify the various marketing styles and strategies, the Division also submitted tc

each contractor a formal questionnaire to be completed about mid-way through the demonstration period. And to develop a profile of employees who utilized the assessment/referral agencies identified by the contractors, the Division paid $2.00 per person per company to those agencies for monthly data summaries of employees serviced through the program.

A follow-up survey to participating companies is being planned to ascertain the continuity of new EAPs in the post-demonstration period.

A secondary objective of the Division was to identify problems and issues in the management of performanced-based contracts. Unsurprisingly, certain minor problems did manifest themselves, particularly in the matter of sales projections by the bidders. Lack of experience with the newly-devised system led most contractors to overestimate sales and training projections. In most cases, those figures had to be adjusted downward after several months to meet realistic market conditions. Contract amendments resulted in some shifting of funds among contractors in order to achieve modified goals.

Despite overly-optimistic expectations on the part of the contractors, however, IOPI activities in the eighteen-month demonstration period established conclusively the viability of a statewide initiative to fund individual contractors in various areas of the state to work with management and labor in developing new EAPs. Using a performance-based contract model, the Division of Alcoholism successfully managed its limited resources to achieve the planned objective of reaching more then 45,000 Illinois workers in smaller companies.

The success of IOPI in the demonstration period bodes well for the future of EAPs in the state of Illinois. In the next year, the Division of Alcoholism funded twenty contractors to market Occupational Programs in fifty-three Illinois counties, using the new performance-based contract model.

Additional information about the Illinois Occupational Program Initiative is available from the Division of Alcoholism. Copies of the proceedings of the Occupational Conference held in May 1981 and 1982 on the campus of Northern Illinois University also are available upon request.